



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 24, 1999

H.R. 2112 **Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 1999**

As reported by the House Committee on the Judiciary on July 30, 1999

CBO estimates that enacting H.R. 2112 would result in no significant impact on the federal budget. Because this bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 2112 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

Enacting this bill would remove existing impediments to the effective consolidation of certain lawsuits within the federal judicial system. Section 2 of H.R. 2112 would permit the federal judge before whom the cases were consolidated for pretrial proceedings to consolidate them for trial on the common issues of liability and punitive damages. Under current law, cases related by one or more common questions of fact that are pending in multiple federal judicial districts may be consolidated before a single federal judge only for pretrial proceedings. At the end of those proceedings, each case is required to be remanded for trial to the judicial district from which it had been transferred.

Section 3 would permit all cases arising out of a single accident that results in multiple deaths or injuries to be consolidated within the federal district courts for trial on common issues. Consolidation would be of all cases—including cases originally filed in state courts as well as cases filed in the various federal districts. Current statutes do not permit all cases arising out of a single major accident to be either filed in federal court or, if filed in state court, to be moved to federal court.

CBO expects that enacting this bill would result in a more efficient use of federal judicial resources. However, CBO estimates that any savings realized by the federal court system would be negligible and may be offset by increased court costs that could arise from additional cases being moved from state court to federal court under the bill. Thus, CBO estimates that enacting H.R. 2112 would result in no significant impact on the federal budget.

The CBO staff contact for this estimate is Susanne S. Mehlman. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.